

WORKFORCE SERVICES AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Rebecca P. Edwards

Senate Sponsor: Aaron Osmond

LONG TITLE

Committee Note:

The Economic Development and Workforce Services Interim Committee recommended this bill.

General Description:

This bill modifies provisions of Title 35A, Chapter 4, Employment Security Act, related to unemployment insurance.

Highlighted Provisions:

This bill:

- removes a provision regarding the overlapping of base periods when determining when certain benefit costs will not be charged to an employer; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

35A-4-307, as last amended by Laws of Utah 2012, Chapter 54

Be it enacted by the Legislature of the state of Utah:



Section 1. Section **35A-4-307** is amended to read:

35A-4-307. Social costs -- Relief of charges.

(1) Social costs [~~shall consist of those benefit costs defined as follows~~] consist of the following benefit costs:

(a) Benefit costs of an individual will not be charged to a base-period employer[~~, but will be~~] and are considered social costs if the individual's separation from that employer occurred under [~~any of~~] the following circumstances:

(i) the individual was discharged by the employer or voluntarily quit employment with the employer for disqualifying reasons, but subsequently requalified for benefits and actually received benefits;

(ii) the individual received benefits following a quit which was not attributable to the employer;

(iii) the individual received benefits following a discharge for nonperformance due to medical reasons;

(iv) the individual received benefits while attending the first week of mandatory apprenticeship training; or

(v) the individual received benefits after quitting voluntarily to accompany or follow a spouse who is a member of the United States armed forces as described in Subsection **35A-4-405(1)(e)**.

(b) Social costs are benefit costs [~~which~~] that are or have been charged to [~~employers~~] an employer who [~~have~~] has terminated coverage and [~~are~~] is no longer liable for contributions, less the amount of contributions paid by [~~such employers~~] the employer during the same time period.

(c) The difference between the benefit charges of all employers whose benefit ratio exceeds the maximum overall contribution rate and the amount determined by multiplying the taxable payroll of the same employers by the maximum overall contribution rate is a social cost.

(d) Benefit costs attributable to a concurrent base-period employer will not be charged to that employer if the individual's customary hours of work for that employer have not been reduced.

(e) Benefit costs incurred during the course of division-approved training [~~which~~

occurs after December 31, 1985,] will not be charged to base-period employers.

(f) Benefit costs will not be charged to employers if ~~[such]~~ the costs are attributable to:

(i) the state's share of extended benefits;

(ii) uncollectible benefit overpayments; or

(iii) the proportion of benefit costs of combined wage claims that are chargeable to Utah employers and are insufficient when separately considered for a monetary eligible claim under Utah law and which have been transferred to a paying state~~[- and]~~.

~~[(iv) benefit costs attributable to wages used in a previous benefit year that are available for a second benefit year under Subsection 35A-4-401(2) because of a change in method of computing base-periods, overlapping base-periods, or for other reasons required by law.]~~

(g) ~~[Any benefit]~~ Benefit costs that are not charged to an employer and not ~~[defined]~~ described in this Subsection (1) are also social costs.

(2) Subsection (1) applies only to contributing employers and not to employers that have elected to finance the payment of benefits in accordance with Section 35A-4-309 or 35A-4-311.

Legislative Review Note
as of 10-16-13 2:30 PM

Office of Legislative Research and General Counsel